A REASONED APPROACH TO OFFICER EVALUATION

Air Force Institute of Technology
Technical Report 77-7

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PREFACE

This paper represents some thoughts and conclusions about officer evaluation systems. It was developed based upon 15 years as an Air Force officer, student research into OERs which I sponsored at the Air Force Institute of Technology, and independent research I conducted during 1977. I conducted the research as a student at Armed Forces Staff College and as a member of the faculty at the Air Force Institute of Technology. Many of the ideas in this paper are also found in an unpublished report submitted to the Armed Force Staff College. The paper represents the views of the author and does not necessarily reflect the official opinion of the United States Air Force.

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ABSTRACT

The general subject of personnel appraisal systems is reviewed as a basis for the development of the general form of an Officer Evaluation System. In this development, unique aspects of the military environment are identified, a clear statement of purpose is chosen, and the distinction between performance evaluation (assessment of past performance) and potential evaluation (assessment of future performance) is drawn. Six criteria for a military Officer Evaluation System are proposed: clear purpose, valid rating factors, equally fair, simple, provisions for errors and inflation, and consistent with prevailing management philosophy. The proposed system collects three types of information--experience, performance evaluations, and potential evaluations--for input to two necessary organizational processes--personnel movements and superior-subordinate communication. Inflation control mechanisms are recommended only for evaluations of potential.

A REASONED APPROACH TO OFFICER EVALUATIONS

I. INTRODUCTION

> No document is more important to a military officer than
> the OER. As such, it is the keystone for career develop-
> ment, promotion, selection for schooling, separation, and
> other personnel activities. (Savage, L. H., 1975:20)

This paper concerns military officer evaluation systems. My interest
in the subject of Officer Effectiveness Reports (OER's) is longstanding--
OER's are the single most influential determinant of success in a military
career. But my interest has recently been heightened because of the
United States Air Force's introduction of a new OER system.

The new Air Force OER system has some features which make it unique,
at least within the U.S. military services. The approach is built around
a "forced distribution" which must be applied to the overall rating
received by each officer, called evaluation of potential. For example,
all majors are rated at the same time each year. The reviewer, a senior
officer who reviews the ratings of a large group of officers, will give
an overall evaluation to each major under him. This is the most signif-
icant rating of the OER. Each reviewer may give no more than 22 percent
of the majors he reviews top block ratings and no more than 50 percent
of them a rating in the top two blocks. This forced distribution feature
was instituted due to serious inflation of the previous Air Force OER.
However, since its inception in 1975, there have been numerous criticisms
concerning the necessity, fairness, and long run impact of this imposed
distribution. (Blakelock, R.A., 1976:94; Keyserling, S., 1976:95-96;
Rhoades, J.W., et al, 1976:52, 90, 100, 104; Armed Force Staff College,
Study Group 15, 1976:IV-2, IV-3; McDonnell, Jr., J.A., 1976:62-64; Air
Force Times, 1976:3)

Thus, a general interest together with interest created by the new and controversial Air Force OER system are the impetus behind this research. The following questions form the basis of this research. Why are evaluation systems needed? What are the specific purposes for such systems? What are the unique considerations of a military system? Is there a difference between evaluating performance and potential?

The Problem

Virtually all military services have recognized for a long time the necessity for some system for evaluating military officers. But there has been much discussion and often disagreement over the specific form such an officer evaluation system should take. This discussion and disagreement arises as periodically the current officer evaluation systems are determined to be unacceptable and modifications or totally new systems are instituted.

The Objective

The overall objective of this effort is to develop the general form of an evaluation system specifically designed for U.S. Military officers. This overall objective will be accomplished if the following subobjectives are accomplished:

1. to develop a historical perspective of military and civilian personnel appraisal systems.

2. to develop an appreciation of the unique aspects of the military personnel environment,

3. to develop a clear statement of purpose for a military officer evaluation system,

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4. to determine if performance and potential should be separately addresseu,

5. to develop a set of criteria for a military officer evaluation system, and

6. from the research, statement of purpose, and criteria, to synthesize the general form of a military evaluation system.

Scope and Limitations

It is not intended that all the details of an officer appraisal system will be refined. This would take many manhours and detailed field testing. I plan to concentrate on the general form of such a system, i.e. those necessary features to assure purpose attainment and those key features to avoid unintended consequences. Although my aim is the developmeni of an evaluation system for all U.S. military officers, an important limitation is my set of experiences. My frame of reference is most closely associated with the Air Force.

Methodology

The approach to accomplishing the research objectives is based upon using civilian and military theory and experience, as found in the literature, clarifying the overall purpose of such a system, and perhaps treating performance and potential separately. The literature search was conducted at the Armed Forces Siaff College library and the Air Force Institute of Technology library. The overall approach is shown in Figure 1.

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RESEARCH                  RESEARCH                RESEARCH

Personnel Evalua-         Military OER            Military
tion Systems             Systems                 Environmental
  -concepts               -history                Differences
  -experiences            -current
                          systems

                          DEVELOP

                        Purpose of
                         Military
                         System


                          DECIDE

                        Performance
                            vs
                         Potential



                          DEVELOP

                        Criteria for
                         Military
                         System



                          DEVELOP

                        General Form
                        of Military
                          System
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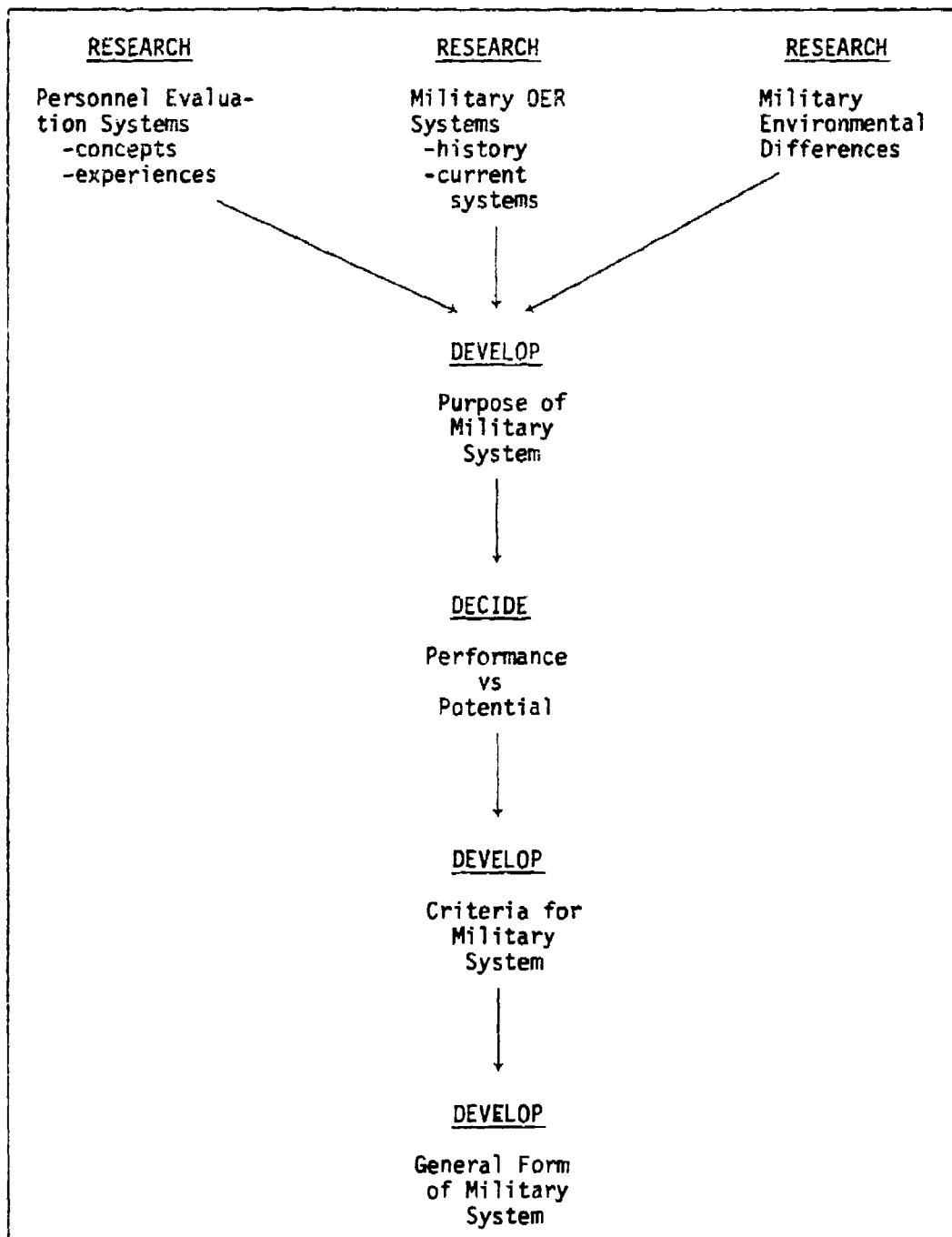
Figure 1.   Research Methodology

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II. BACKGROUND

In this section, a general understanding of personnel evaluation systems, civilian and military, is developed. In addition, the unique aspects of the military personnel environment are discussed.

Personnel evaluation (or appraisal) systems are a part of any organization, whether formal or informal in nature. Such a system may be defined as <u>a process of assessing the present and/or future value of individual human beings to an organization</u>. To assess means to make a judgment, and this assessing must be done by other human individuals. The process of assessing present, or immediate past, value is called <u>appraisal of performance</u> and the process of assessing future value is called <u>appraisal of potential</u>. The value to be assessed is--contribution to achievement of organizational goals. Th:s value is not always easy to identify and measure. Thus, the highly significant and potentially emotional nature of personnel appraisal is immediately evident-- individuals making judgments of other individuals' worth to the organization.

Although perhaps recognized, the reasons why these personnel appraisals are necessary should be clearly stated.

1. <u>Organizational Control and Individual Improvement</u>. Any organization has the dual goals of accomplishing the mission and of doing it efficiently. The management element of the organization will divide and organize the tasks and will coordinate and integrate the various efforts. There is little doubt that the prime determinant of organizational goal accomplishment is individual performance. As a result, much of management's effort goes toward (a) monitoring performance to assure consistency

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with organizational goals, and (b) improving individual performance with training, coaching, and goal setting.

A necessary requirement for this monitoring and improving of performance is performance appraisal. Thus, one major purpose of many personnel appraisal systems is to provide the basis for constructive communication between supervisor and subordinate in controlling and improving performance.

2. <u>Movement of Personnel</u>. Any organization may be thought of as a system of roles. A role is a set of activities and decisions which are intended for one individual and which are necessary for the successful operation of the organization. People will move within the organization in occupying roles. Some of the necessary movements are (a) recruitment/placement--initially assigned to a role, (b) transfer-- assigned to a collateral role, (c) promotion--assigned to a role at a higher level, and (d) attrition--leave the organization through release or retirement.

The organization can and does control some of this movement. Some movement is inevitable and the organization will control it when possible to enhance organizational goal achievement. The organization is con- stantly searching for higher levels of efficiency and on its own will move individuals if there is a judgment that a more efficient match of individuals-to-roles exists. This partial control of movement of personnel is accomplished by gathering information about the individuals and about the role requirements. This information is then used as a basis for movement decisions. One important data gathering device is a personnel appraisal system which regularly records judgments of the present and future value of individuals to the organization.

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In addition to value judgments, it may be noted that another type of information used in movement decisions is simply experience or the type of activity previously engaged in. In a small organization this experience information may not have to be recorded. In a large organization, records are necessary and the personnel appraisal system can provide a permanent record of an individual's past experience.

In sum, a second major purpose of many personnel appraisal systems is to record regular value judgments of worth and statements of experience. Both types of information are used in an organization's necessary personnel movements.

Civilian Systems

Although informal appraisal cannot be dated, formal personnel appraisal systems probably date to sometime during the industrial revolution. Prior to approximately the 1950's, the predominant management philosophy tended to consider an organization as a machine which must be adjusted and tuned to achieve high productivity. The resources used include people whose output must be measured and controlled much like an important piece of equipment (Olsen and Bennett, 1975:21). Appraisal systems were generally impersonal and were accomplished based on subjective feelings by the supervisor concerning the performance of a subordinate.

Beginning in the 1950's, perhaps with Douglas McGregor's "An Uneasy Look at Performance Appraisal" published in Harvard Business Review, two trends can be noted: (1) a clear realization that humans are not like machines and that a system which assesses human worth must be very carefully constructed to avoid serious unintended consequences,

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and (2) many attempts to make appraisal systems as objective as possible by concentrating on mutually agreed goals or clearly defined rating factors and standards. The following three quotes characterize the cautions with respect to personnel appraisal systems which were voiced in the 1950's.

> Appraisals must be based on performance. Appraisal is a judgment, and judgment always requires a definite standard. To judge means to apply a set of values; and value judgements without clear, sharp, and public standards are irrational and arbitrary. They corrupt alike the judge and the judged. (Drucker, 1954:150)

> Managers are uncomfortable when they are put in the position of playing God. The respect we hold for the inherent value of the individual leaves us distressed when we must take responsibility for judging the personal worth of a fellow man. Yet the conventional approach to performance appraisal forces us, not only to make such judgments and to see them acted upon, but also to communicate them to those we have judged. Small wonder we resist. (McGregor, 1957:90)

> The fundamental flaw in current review procedures is that they compel the supervisor to behave in a threatening, rejecting, and ego-deflating manner with a sizeable proportion of his staff. This pattern of relationship between the superior and the subordinate not only affects the subordinate but also seriously impares the capacity of the superior to function effectively. (Likert, 1959:75)

There are many specific types of personnel appraisal techniques. A partial list of technique type is shown here: (Chruden and Sherman, Jr., 1959:216-223; Barrett, 1966:42-63; Koontz, 1971:34-43; Hayden, 1973:160; Oberg, 1972:62-66).

(1) Graphic scales for a series of rating factors.

(2) Forced choice. Here the rater must make choices for a series of three to four statements equally critical or complimentary of the ratee. This carefully constructed approach is an attempt to make the appraisal one which cannot be "gamed" by the rater.

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(3) Narrative assessments.

(4) Ranking of all subordinates.

(5) Forcing a normal or other distribution to some overall evaluation of performance or potential.

(6) Management by objectives or MBO. An MBO program is much more than an appraisal system. In a few words, supervisors and subordinates mutually agree on specific job goals for each subordinate over a given time period. Together they regularly review performance primarily in terms of goal accomplishment.

(7) Critical incident. Raters are asked to record significant job situations or events which reflect credit or disfavor on the ratees immediately after such situations occur. These records become the basis of evaluation.

(8) Peer and self ratings.

(9) Combinations of the above techniques, which may be the most common approach.

Current feelings about personnel appraisal systems continue to recognize its essential role, e.g. "performance appraisal, formal or informal, lies at the heart of the art of managing. Good managers do it well; poor managers do it less satisfactorily; only bad managers do it not at all." (Maynard, 1967:80) From a brief look at the bibliography of this report, it is obvious that personnel appraisal systems are a very popular subject for management theorists, researchers, and practicing managers. Clearly there is no one approach proven best for all. The most apparent concensus is the recognition of the need to carefully design, test, and understand any system.

> Performance appraisal touches on one of the most
> emotionally charged activities in business life--
> the assessment of a man's contribution and ability.
> The signals he receives about this assessment have
> a strong impact on his self-esteem and on his
> subsequent performance. Therefore, managers need
> to think through the human consequences of the
> procedures they set into motion. (Thompson and
> Dalton, 1970:150)

Military Systems

This subsection is a brief review of past and current military
officer evaluation systems. A significant portion is based upon the
information collected in the Armed Forces Staff College 1976 Group
Study, The Feasibility of Improving the Officer Efficiency/Effectiveness
Reporting Systems.

U.S. Army. Although the first recording of officer evaluations in
the U.S. Army occurred in 1813, the formal Army Officer Efficiency
Report was instituted in 1890. Since that time, and especially in
recent years, the Army OER system has found itself in an almost continu-
ous cycle of debilitating inflation followed by system modification or
major redesign.

In the current Army evaluation system, each officer is rated by his
immediate supervisor yearly or when supervision is interrupted. The
key features of the OER are (1) an overall performance score given by
the rater and an endorser, (2) an overall promotion score given by the
rater and an endorser, (3) a small amount of space for narrative justifi-
cation of the ratings given, and (4) one overall score which is the sum
of the two performance and two promotion scores. There is no apparent
mechanism for controlling inflation.

U.S. Navy. Prior to 1920, the U.S. Navy relied primarily on
seniority for promotion. In the 1920's, the Navy instituted its first

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Fitness Report whose purpose was to assist personnel managers in promotion and other movement of officer personnel. Since then, the Navy system has undergone many changes including some 148 different forms. The present system came into being in 1974.

The current system has a dual purpose of (1) providing the principal input for Navy personnel actions, and (2) providing a basis for performance discussions between reporting seniors and their subordinates (Armed Forces Staff College, Study Group 15, 1976:I-2, I-3). The format includes several performance oriented questions followed by an overall assessment of "mission contribution." A second portion treats potential by asking about "trends in performance," "personal traits," and "recommendation for promotion." One mechanism to control inflation is that the rater (typically the captain of a ship) is asked to indicate how he rated all other officers of the same rank for the overall "mission contribution." Also, for each officer recommended for early promotion, the rater must rank order all those he so recommended.

U.S. Air Force. The U.S. Air Force, in its first few years, used the Army officer evaluation approach. In 1949, the first Air Force system was initiated. This first approach was short-lived and in 1952, a revised system was instituted which provided the basis for Air Force officer evaluations for the next two decades. The basic purpose of the system was to provide information on which to base personnel actions; supervisor performance counseling was not a published purpose of the system. The format contained eight rating factors which were devised to measure performance and potential, plus an overall rating.

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There were actually two variances, one for company grade officers and another for field grade officers. After many years of acceptability, inflation of this system finally became overwhelming. By 1974, 90 percent of all officers were receiving a perfect score (Gates, 1975: 56). In 1975 the Air Force introduced its new system characterized by a "forced distribution" which is applied to the single most important rating on the form, the reviewer's evaluation of potential. This system was briefly discussed in the introduction.

Some overall observations about current U.S. military officer evaluation systems can be made.

(1) There appears to be some confusion concerning the purpose of these evaluation systems.

--Are they a basis for personnel actions? There is agreement about this purpose.

--Are they a record of experience and accomplishments? Are they, like in civilian systems, a means of organizational control and performance improvement? These questions are usually not clearly addressed.

--Even the names of the evaluation reports can cause confusion. In the Navy and the Marine Corps, it is fitness. In the Army, it is efficiency. In the Air Force, it is effectiveness.

(2) There appears to be some confusion about what it is that is being evaluated. In some places it is clear that performance is being rated. In other places it appears that the frame of reference is potential but that the assumption is that potential is little more than performance. Elsewhere, the clear impression is that potential must consist of more than past performance.

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(3) All services are seriously concerned about inflation of their OER systems. If uncontrolled, a large proportion of officers would receive a very good evaluation. Some discrimination is needed for personnel actions and each service is constantly fighting this inflation issue.

The U.S. Military Personnel Environment

In order to develop a statement of purpose for an officer evaluation system and to discuss criteria for a system which will fulfill the purposes, it is necessary to understand the environment such a system is intended to operate within. What are the unique characteristics of U.S. military officers in 1977 which differentiate them from other sets of employees in American society? There appear to be at least four distinguishing features: (1) large and transient, (2) competent and dedicated, (3) operating under an "up or out" policy, and (4) increasingly influenced by the American social environment.

Military personnel may constitute the largest groups of employees governed by single personnel systems. For example, the Air Force officer corps is about 90,000 people who are spread all over the world, and personnel actions for them are guided by one set of policies and procedures. In addition to being large, the officer corps is extremely transient. An officer may be in a specific job for as short a period of time as four to six months. One year tours are quite common. Any one job lasting more than four years is rare.

Some of the implications of a large, transient officer corps for its personnel system are (1) a need for complete, written records, (2) a need for flexibility, and (3) a need for careful application of

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personnel policy due to possible unforeseen consequences. This means
that personnel records and transactions will be impersonal. For
example, promotion will not be to a specific job based on judgments
of people who have continuously observed the candidate for many years
in a few jobs. Rather it will be promotion to a general level based
on judgments of people who have never seen the candidate reading
reports from numerous supervisors each having observed the candidate
for a short period of time. Since promotion must be accomplished in this
centralized manner, the actual procedures must be flexible to cover the
many special cases which will arise, and must be well designed and
tested to avoid inequities.

As a second distinguishing feature, the military officers are, in
general, highly educated and trained, and very dedicated. Most officers
have a college degree; many have advanced degrees; and most have
received training while in service. It also may be said that most
officers are patriotic and dedicated to the ideal of service to our
country. Officers are all voluntarily members of a profession which
serves our nation and which may involve personal sacrifices and risks.

What are the implications for personnel policies governing compe-
tent, dedicated people? Discipline, motivation, and close control
should not be major concerns. Fairness, openness, supportiveness, and
recognition of contribution should be major concerns.

A third distinguishing feature is that our military officer corps
operate under an "up or out" policy. In a few words such a policy
mandates that if an officer is not promoted after a limited number of
opportunities, then he may be eliminated involuntarily from the officer
corps. Such a policy exists due to the unique problems of managing a

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military officer corps. There is a constant need for specific numbers of individuals at all ranks who have certain necessary military skills and experience. Unlike civilian organizations who can fill vacancies either from within or from outside, individuals with military skills and experience are generally not available outside the U.S. military organizations. Virtually the only souce of such individuals is up through the officer corps. With no flexibility to obtain personnel except via entry as lieutenants, a very structured career progression must be planned and adhered to. The "up or out" policy must be maintained for use by personnel managers in obtaining the necessary "rank-years of service-numbers" officer profile.

The present day necessity and advisability of this policy may be argued; however, today's officer corps must operate in this "up or out" environment. This policy is undoubtedly one of the major causes of OER inflation. Any rater is fully aware that the ultimate effect of his rating may be that the atee is not promoted and therefore is eliminated. With a competent, dedicated officer force, it will not be often that a rater will feel that these consequences are deserved. As a result, he will raise the rating he gives as a hedge. A rating system can be quickly destroyed by such inflation. It is interesting to note that in a recent review of foreign OER systems, seven out of nine that operate without an "up or out" policy indicate an ability to control inflation (Armed Forces Staff College, Study Group 15, 1976:VI-8).

A final distinguishing feature is that U.S. military officers are increasingly influenced by the U.S. social environment. By this is meant that the military in the United States is less and less a society

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within a society. Due to such things as mass communications (television, radio, newspapers, magazines), increasing public attention to military issues, more family residence off the military base, higher military standard of living, and other trends, the values, attitudes, opinions, and experiences of a cross-section of military officers are increasingly inseparable from any nonmilitary group. The implications of this feature are that the trends in personnel management, now accepted with respect to other groups of professional employees, may be applicable to military officers. For example, if civilian personnel appraisal systems are more participative, more personal, more goal-oriented, and more concerned about the reaction of the employees to the system--and they appear to be--then maybe these are approaches which any military evaluation system should consider.

III. THE BASIC ISSUES

Purpose

With a general understanding of evaluation systems, civilian and military experiences, and the special features of the military environment, the next step in the development of a proposed Officer Evaluation System (OES) is a clear statement of basic purpose. Basic purpose is defined here as (1) what types of information are required to be collected and (2) what specific functions will be served by the collection of that information.

In the previous section, two general reasons for performance appraisal systems were identified. The first reason concerned the need to develop information upon which to base decisions for the movement of personnel within any organization. These are the promotion, transfer, separation, and special assignment decisions. The larger the organization, the stronger is the requirement for a formal system to collect and record information upon which to base these decisions.

The military officer corps, being large and transient, certainly require such information gathering and storing systems. The military personnel record does contain some of the needed information such as positions held, test scores, schooling, awards, training, health, and service time. But there is other information about individuals which must come from some type of OES.

I contend that three types of information should be collected by an OES and made available as input to personnel actions.

(1) Assessments of on-the-job performance made yearly.

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(2) Descriptions of experience, i.e. types of work, responsibilities, level of management, number of subordinates, types of problems solved (administrative, personnel, technical), amount of pressure, etc. These data are not available in other personnel records.

(3) Assessments of potential for expanded and/or different responsibilities made yearly.

In sum, the officer corps personnel movement decisions must be made and can only be made with information concerning the individual from some type of formal system. An OES should provide three needed types of information not available elsewhere: experience, performance assessments, and potential assessments.

The second reason previously identified for personnel appraisal systems was organizational control and performance improvement. In other words, an appraisal system can be a formal vehicle prompting clear, work-related communication between superior and subordinate. It is an opportunity to relate organizational goals with individual performance. Motivation can be stimulated, not in a manipulative manner, but simply by demonstrating interest and concern. Areas for improvement can be jointly identified. Even the most competent subordinate requires feedback in order to focus his efforts and make the most of his talents.

It is true that all supervisors should, on their own initiative, have regular work-related communication with subordinates. It is probably true that many supervisors of officers do have such communication. Thus, it is not necessary that a major purpose of the proposed OES be organizational control and performance improvement. It can be

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accomplished by other means. What must be decided is whether this should be a major purpose.

Performance or potential assessments made for any other reason, and made known to those assessed, will be feedback to them. Such feedback will help to shape the individual's perceptions of proper organizational goals and proper job performance.

There are thus two persuasive reasons to establish organizational control and performance improvement as a basic purpose of the proposed OES: (1) feedback from assessments made for other reasons will be present and operating upon subordinates, and (2) any assistance in establishing meaningful, work-related communication between supervisors and subordinates should enhance overall military mission accomplishment. The information collected for the purpose of supervisor-subordinate communication should be yearly assessments of on-the-job performance.

In summary, the following statement of basic purpose for the proposed Officer Evaluation System is offered.

> STATEMENT OF PURPOSE. The proposed Officer Evaluation System will be a personnel system (1) to collect descriptions of experience, assessments of performance, and assessments of potential for use in making personnel movement decisions and (2) to collect assessments of performance for use in supervisor-subordinate communication for mission performance improvement.

Performance and Potential

The proposed statement of purpose refers to two assessments or appraisals: performance and potential. It is necessary to clearly distinguish between and relate these two concepts prior to developing an evaluation system which will appraise them.

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Performance is the job-related activity engaged in while assigned to a specific position. An assessment of performance is a judgment of the value of that activity for a just-completed period of time. The judgment is of the value contribution that the individual's activity made to organizational goal accomplishment. This is an assessment of past performance.

The ideal way of measuring the value of performance is in terms of the product or output of the person's activity, e.g. the number of standard sized trucks unloaded per day or the number of personnel records processed per month. When output is difficult to quantitatively identify and measure, and when quality of output is an important consideration in "value," another standard used is the manner of performance or the typical behavior patterns observed. For example, in the case of a manager or an administrative officer, rating factors may be of the following type: works hard, develops plans, motivates others, etc. These factors are not a measure of output but are behavior patterns generally accepted as probably leading to high levels of output. A third type of rating factor often used is personality traits, e.g., enthusiastic, honest, concientious, etc. The link between personality characteristics and success in accomplishing organizational goals is one more step removed from the link between manner of performance and actual job-related output.

There is a danger that a personal trait approach to performance appraisal can become a self-serving end rather than an interrelated means to measuring performance (Villareal, 1977:87). A current trend in civilian performance appraisal is to encourage supervisors and

subordinates to jointly establish specific job goals to be used as a basis for later performance appraisal. This was the previously referred to MBO. This type of performance evaluation is more objective and decreases reliance upon the supervisor's "feelings" about manner of performance and personal traits.

If performance appraisal is assessment of the immediate past job activities, what is potential appraisal? It is an assessment of future performance in some unspecified job. Thus, it is quite clear that performance appraisal and potential appraisal are not identical. The natural confusion exists because past performance is undoubtedly one important basis from which to assess future performance. But past performance at one level is only one indication of what future performance may be at a higher level (Patz, 1975:79).

If potential appraisals are judgments of the value contributions that an individual's future activities will make to future organizational goal accomplishment, what factors should be the basis of the appraisal? Output cannot be used because it has not yet occurred. First, it is necessary to establish a frame of reference for the future job situation an individual is being assessed against. This is usually a position at a higher level with broadened or different responsibilities. For military officers, it is often a higher level management position as a leader-manager of a work or combat organization or as a staff specialist advising top decision makers. Rating factors which can form the basis of assessing success in such future positions are, in addition to performance in the immediate past, trends in performance over several years, observed behavior patterns, observed personality characteristics, depth and breadth of experience, education, and training.

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Personality traits may be largely irrelevant to judging the job performance of a technical specialist but very important to judging that specialist's potential as a manager. Performance two years ago has little bearing on an assessment of the last year's performance. The two years performance considered together may be a very valuable input to a potential appraisal.

Thus, performance appraisal and potential appraisal are different processes which use different input information and whose results should have different uses. Any officer evaluation system should clearly distinguish between these two types of appraisal.

IV. CRITERIA FOR AN OFFICER EVALUATION SYSTEM

There exist many "formulas for success" in the design of personnel evaluation systems both in civilian and military literature. These lists of "dos and don'ts" have been developed from actual experience, data analyses, surveys of attitudes, years of observation, theories of human behavior and motivation, and common sense.

From the civilian frame of reference, Probst says a system should be specific and objective, should use unambiguous terms, should not rate relative excellence, should insure rater honesty, and should be accurate, fair, reliable and valid (Purdie, 1973:46). Whisler and Harper say that appraisal should be matched to objectives, integral to organizational activity, economical, and based on standards (Purdie, 1973:47). Kellogg stresses a well-defined purpose and ratings based on relevant, accurate, and reasonably complete information (Kellogg, 1975:8). Koontz appraises managers against objectives and also as managers. He stresses measuring the right things and having a program that is objective, constructive, acceptable to all, and operational (Koontz, 1971:12-15).

Barrett emphasizes a program acceptable to those who use it, limited to only the important issues, and free from significant defects in the use of the results (Barrett, 1966:12). Chruden and Sherman and Norton, et al, stress that the rating factors must be observable, universal, and distinguishable (Chruden and Sherman, 1959:215; Norton, Foster and Gustafson, 1973:49). Villareal suggests that supervisor and subordinate jointly find the "impact factors" of the basic job and based on them establish performance standards for appraisal and reward

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(Villareal, 1977:86-89). Massey recommends consideration of using a committee process in which a group of ratees are discussed in a committee meeting followed by individual supervisors executing a written rating (Massey, 1975:522-524). Based on their observations, Thompson and Dalton say to watch for the use of one grand system to do everything, that an employee should get many types of feedback in addition to formal appraisal, that the system should be open and future-oriented, and that zero sum systems (one person's fortune is another's misfortune) are dysfunctional (Thompson and Dalton, 1970:157).

Discussion of appraisal systems from a military viewpoint can be found as early as 1953 when Etheridge espoused an objective, fair, easy to prepare record of performance which does not require an unreasonable administrative burden and which provides an opportunity for rebuttal (Purdie, 1973:47). Dunn and Ortland recommend several features: some self-rating opportunity, rating factors should be tangible, counseling of ratee should be mandatory, the system should be open and appraisal ability should be a rating factor (Purdie, 1973:48). Killen says that officers should be compared within specialty groups, not within the same rank (Purdie, 1973:48). Daniels contends that subordinate ratings of supervisors is needed (Daniels, 1972:8). McCabe thinks that a forced distribution of ratings to control inflation is possible using the computer to make adjustments (McCabe, 1970:93-100). Brown agrees that, for the military, a system which rates the rater can solve the inflation problem and suggests a computer-assisted approach (Brown, Jr., 1975:38-47). Thelander contends that our present systems are neither objective nor equitable and suggests possibly using self-ratings,

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committee ratings, knowledge tests, or a combination (Thelander, 1969: 115-119). Purdie has synthesized criteria for a successful system into fifteen items:

(1) flexible and receptive to change,

(2) no zero sum comparisons,

(3) specific and objective,

(4) unambiguous as possible,

(5) extensive system testing,

(6) safeguards against errors and inflation,

(7) simple to complete and administer,

(8) should encourage goals and objectives,

(9) economical,

(10) equally fair,

(11) should stimulate and motivate the ratee,

(12) should adequately distinguish marginal, average, and outstanding performance and potential.

(13) the relationship of supervisor to subordinate should be identified,

(14) should avoid undue influence on the rater by a commander or others, and

(15) should be acceptable to everyone in the rating process (Purdie, 1973:50).

Based upon the preceding discussions of appraisal systems in general, civilian and military experiences, the unique aspects of the military environment, and the other criteria found in the literature, the following criteria have been chosen for the proposed Officer Evaluation System.

-The system has a clear purpose made known to all.

-The system utilizes valid rating factors.

-The system is equally fair to all who are evaluated.

-The system is simple to complete and administer.

-The system provides for control of errors and inflation.

-The system is designed and implemented consistent with prevailing philosophy of officer personnel management.

Clear Purpose

It is vitally important that an Officer Evaluation System, considered so significant by every officer, has a clearly stated purpose. The fairness and adequacy of a system can only be judged relative to its stated purpose. The purpose should be promulgated to all concerned. It should be the basis of a system design. It should guide the forms used, the instructions to raters, the processing procedures, and the use of the results. This is the criterion from which all other criteria derive.

Valid Rating Factors

The information which forms the basis of appraisals of past performance and future performance must be valid. The factors to be rated should be relevant, observable, universally applicable, reasonably complete, and discriminating.

Relevance means clearly indicative of the concept being appraised. Relevant factors for performance appraisal (in order of relevance) are (1) the product or output which results from the performance, (2) descriptions of the manner of performance from which effectiveness can

be inferred, and (3) descriptions of personal traits which likely lead to effective performance. Generally agreed relevant factors for potential appraisal are assessments of past performance, trends in performance, experience and knowledge, and behavior patterns or personal traits from which future effective performance can be inferred. These factors were previously discussed in the section identifying the differences between performance and potential.

It is clear that rating factors must be observable to raters. The rater option of reporting "not observed" is probably necessary and should not be penalized. Likewise, factors should be universal and those which apply only to a portion of those being rated must be avoided. For example, a factor such as "pilot coordination skills" would not be a valid rating factor for all Air Force officers.

The set of rating factors should be reasonably complete, and should not relate to only one part of the concept being appraised. Finally, factors should be chosen for which some discrimination is reasonably expected. One would probably not expect much discrimination for factors such as "attends meetings" or "interacts with subordinates." In sum, valid bases of evaluation are relevant, observable, universal, complete, and discriminating.

Equally Fair

It is important that an Officer Evaluation System be perceived as equally fair to all concerned. A perception of fairness depends on the purpose, the rating factors, the administrative procedures, the use of the results, in essence the whole system. A system will be perceived as fair to all if the purpose is known and thought to be

necessary, if it appears that every attempt is being made to design and implement the system consistent with the purposes, and if reasonable attempts at minimizing errors, inflation, and administrative problems are seen. Fairness probably demands extensive testing. Fairness most likely demands a policy of flexibility and willingness to change. In sum, if the system purpose is made known and fully supported and explained by top leadership, if the other five criteria mentioned in this section are pursued, and if the design and implementation approach is open and informative to all officers; then a general perception of fairness should be achieved.

Simple

This is a criterion which should be applied to any management system. Any system which is not relatively simple to complete by the implementing individuals and simple to administer by the organization will probably be short-lived. A complicated Officer Evaluation System invites lack of understanding, lack of completeness by the rater, many errors by all involved, lack of confidence by individuals being rated and those using the ratings, and ultimately lack of support by all concerned.

Provisions for Rater Errors and Inflation

It has already been seen that military officer appraisal systems must apply to a large and transient group of personnel. This means that rating is being done by many diverse raters all over the world. Such a system must also operate in the environment of an "up or out" policy. This means that the appraisals received will be vitally important to most officers, and that inflationary pressures on raters

will be strong. All this leads to the conclusion that the dangers of rater errors and system inflation within military Officer Evaluation Systems are very significant, more significant than in civilian systems.

A military system must include safeguards against these dangers. Some of these safeguards are (1) thorough testing in all anticipated conditions, (2) complete rater orientation and training, and (3) various techniques to control inflation. The present Air Force system faces inflation by forcing a distribution of the overall evaluation--a zero sum technique. Other possible techniques to combat inflation are (1) more complete education of the raters, (2) rating the rater, (3) specific guidelines for possible overall ratings, (4) withholding the rating information from the ratees, (5) managerial pressure from the top, and (6) a forced rank ordering of all those rated. In choosing provisions for inflation control, it is vitally important that all consequences, intended and unintended, be identified and understood.

Consistent with Prevailing Management Philosophy

Olsen and Bennett, in a recent look at performance appraisal, profess the opinion that:

> No management process can be effective if it is radically different from the social processes of the society in which the organization operates (Olsen and Bennett, 1975:20).

In another recent report of a successful system for assessing management potential, it was emphasized that the prevailing management philosophy should be directly related to the content and form of the appraisal system used by the organization. This system sets the standards for judgment of the organization's members. This system

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undoubtedly will be an important determinant of behavior (Norton, Foster, Gustafson, 1973:49).

In other words, the appraisal system will affect all employees sending clear signals to them concerning the assumptions about people and the overall management philosophy found in the organization's top leadership. For example, if the current philosophy of management seeks to emphasize concepts like "the boss is always right," "discipline is one of the most important organizational virtues," "things are mainly accomplished by use of authority," "people will resist their responsibilities if given a chance," then the appraisal system will probably reflect that emphasis. It might be highly structured, closed to employees, and include no opportunity for rebuttal. It might use something like a normal distribution to award ratings. The rating factors might include items like "controls his people well," "gives top priority to the output," and "always conforms to standards." The system would probably be administered in a highly impersonal manner.

One may argue with the specific features in the previous paragraph which were linked with the hypothesized authoritative management philosophy. The point is that, even if not consciously intended, the management philosophy will be reflected in the rating techniques, the system procedures, and the administrative details of the personnel appraisal system.

Perhaps the most subjective part of this paper is estimating the current prevailing philosophy with respect to officer personnel. I believe that the trend is away from an "authoritative" approach to one which clearly recognizes the widespread competence, dedication, and

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maturity of U.S. military officers. I believe the philosophy is more one of (1) clarify the mission and objectives, (2) provide resources, (3) identify important constraints, and (4) be supportive. Generally, officers want to use their capabilities to the fullest and only need be given the opportunity. Clearly, the philosophy of "treat employees as adults and be supportive to them" is a management trend seen today in American society. If these assumptions are correct, the proposed Officer Evaluation System would be designed and implemented, in all details, consistent with that philosophy.

A final comment about these six criteria is required. Applying the criteria in the development of an Officer Evaluation System is not straightforward. The features of the officer corps, like size, will probably make fully satisfying all criteria impossible. Some criteria will indicate conflicting courses of action. For example, provisions to combat inflation may be judged inconsistent with the prevailing philosophy of "treat everyone as adults." The criterion of simplicity may conflict with the desire to control rater errors. Thus, in applying the criteria to the evaluation system development, some trade-offs and compromises will undoubtedly be necessary. This is the nature of any organizational system.

V. THE GENERAL FORM OF AN OFFICER EVALUATION SYSTEM

I contend that the basis of many past problems with military Officer Evaluation Systems is that seldom, if ever, have past systems clearly distinguished between performance and potential, i.e. have not separated "appraisal of the immediate past performance" from "appraisal of future performance." This major defect of past systems is reflected in statements of purpose, actual rating forms, and the uses of completed reports. This confusion has led to the following situations:

(1) one overall evaluation rather than two,

(2) frequent uncertainty about what is being rated,

(3) the necessary imposition of discrimination on appraisal of potential being also imposed on appraisal of performance where it may not be necessary, and

(4) a questioning of the overall fairness and effectiveness of the systems.

Based upon the previously presented research, the following general form of an Officer Evaluation System is proposed. The proposed OES will be presented and discussed in the following sequence: (1) purpose, (2) forms, (3) who appraises and when, (4) the basis for the appraisals, (5) the disposition of the results, and (6) the mechanisms for inflation control.

Purpose

The purpose was developed previously and is restated here:

> STATEMENT OF PURPOSE: The proposed Officer Evaluation System will be a personnel system (1) to collect descriptions of experience, assessments of performance, and assessments of potential for use in making personnel movement decisions and (2) to collect assessments of performance for use in supervisor-subordinate communication for mission performance improvement.

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This purpose clearly identifies three types of information--experience, performance assessments, and potential assessment--and two distinct organizational needs this information supports--personnel actions and performance improvement. This purpose should be widely promulgated and should form the basis for all the design and implementation actions.

Proposed Forms

I propose one overall form with two parts. Part 1 is a description of experience and an evaluation of performance. Part 2 is an evaluation of potential. These two parts would have different inputs, different controls, and different dispositions, to be described later. Illustrative examples of these two parts are shown in Figures 2 and 3.

Who Appraises and When

Four individuals would be involved in officer evaluation: the ratee, the rater, the additional rater, and the reviewer. The role of rater (also the immediate supervisor) is to describe the ratee's experience and to assess his immediate past performance. His further duties are to conduct job-related counseling or progress discussions with the ratee. The rater also has a joint role with the additional rater in assessing the ratee's potential. These two individuals will together develop a consensus concerning the ratee's potential for future performance. The reviewer has a largely passive role of monitoring the system. His role becomes active by exception--for extremely good or bad evaluations he must concur.

The rater, additional rater, and reviewer will be specifically identified for each officer to be rated. See Figure 4. Ratings will

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                    OFFICER EVALUATION REPORT - PART 1
Officer Identification Data

(Name, SSAN, Rank, Specialty, Period of Supervision, Reason for Report)

Description of Job/Experience

(Job title followed by narrative of types of work, unique duties,
 level of responsibilities, number of subordinates, dollar value of
 resource responsibilities, types of problems encountered, amount
 of pressure.)
```

Performance Factors	Not Obsvd	Far Below Stds	Below Stds	Meets Stds	Above Stds	Far Above Stds
1. SETS OBJECTIVES	⊔	⊔	⊔	⊔	⊔	⊔
2. PLANS & ORGANIZES WORK	⊔	⊔	⊔	⊔	⊔	⊔
3. ACHIEVES OBJECTIVES	⊔	⊔	⊔	⊔	⊔	⊔
4. QUANTITATIVE ASPECTS OF ACCOMPLISHMENTS	⊔	⊔	⊔	⊔	⊔	⊔
5. QUALITATIVE ASPECTS OF ACCOMPLISHMENTS	⊔	⊔	⊔	⊔	⊔	⊔
6. EFFECTIVENESS OF ORAL COMMUNICATION	⊔	⊔	⊔	⊔	⊔	⊔
7. EFFECTIVENESS OF WRITTEN COMMUNICATION	⊔	⊔	⊔	⊔	⊔	⊔
8. EFFICIENT USE OF RESOURCES	⊔	⊔	⊔	⊔	⊔	⊔
9. DEVELOPMENT OF SUBORDINATES	⊔	⊔	⊔	⊔	⊔	⊔

Overall Evaluation of MISSION CONTRIBUTION	Outstanding	Superior	Excellent	Effective	Marginal	Inadequate
	☐	☐	☐	☐	☐	☐

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Signature of Rater
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Figure 2.   OER Format, Part 1

MISSION CONTRIBUTION	Outstand-ing	Super-ior	Excel-lent	Effec-tive	Margin-al	Inade-quate
This Officer	☐	☐	☐	☐	☐	☐
All Officers Rated	☐	☐	☐	☐	☐	☐

Potential Factors		Not Obsvd	Needs Emphasis	An Asset	A Great Strength
1. MISSION AWARENESS (Degree of thoughtful yet enthusiastic concern for mission)		☐	☐	☐	☐
2. MISSION ACCOMPLISHMENT (demonstrated trend of contributions to the mission)		☐	☐	☐	☐
3. DEVELOPMENT OF PEOPLE (genuine care consistently shown for subordinates & their careers)		☐	☐	☐	☐
4. INTELLIGENCE AND REASONING (power of intellectual penetration and logic of problem solving)		☐	☐	☐	☐
5. EFFECTIVENESS AS A COMMUNICATOR (conciseness and persuasiveness of written/oral communication)		☐	☐	☐	☐
6. INITIATIVE AND FORCEFULNESS (aggressiveness, decisiveness, & energy in mission accomplishment)		☐	☐	☐	☐

Overall Promotion Recommendation

☐ We think this officer is a prime candidate for high military leadership and should be promoted immediately. (requires Reviewer concurrence)

☐ We think this officer should be considered for early promotion.

☐ We think this officer shows normal potential and should be promoted on time.

☐ We think this officer should remain in his present rank for the forseeable future. He is doing a competent job.

☐ We think this officer should be considered for separation unless his trend in performance improves. He should not be promoted.

☐ We think this officer should be separated from service as soon as possible.

Rationale for Promotion Recommendation

(Narrative providing the key elements of the basis for the recommendation to include specific examples of strengths or weaknesses and specific assignment recommendations if appropriate)

Signature of Rater

Signature of Additional Rater

Signature of Reviewer (If Required)

Figure 3. OER Format, Part 2

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REVIEWER

a high ranking military
officer (specified by each
service) who has a broad view
of officers of each rank that
he reviews, typically a com-
manding officer or deputy

ADDITIONAL RATER

typically two levels
above the ratee and will
be specified by the reviewer
(either rater or additional
rater must be military)

RATER

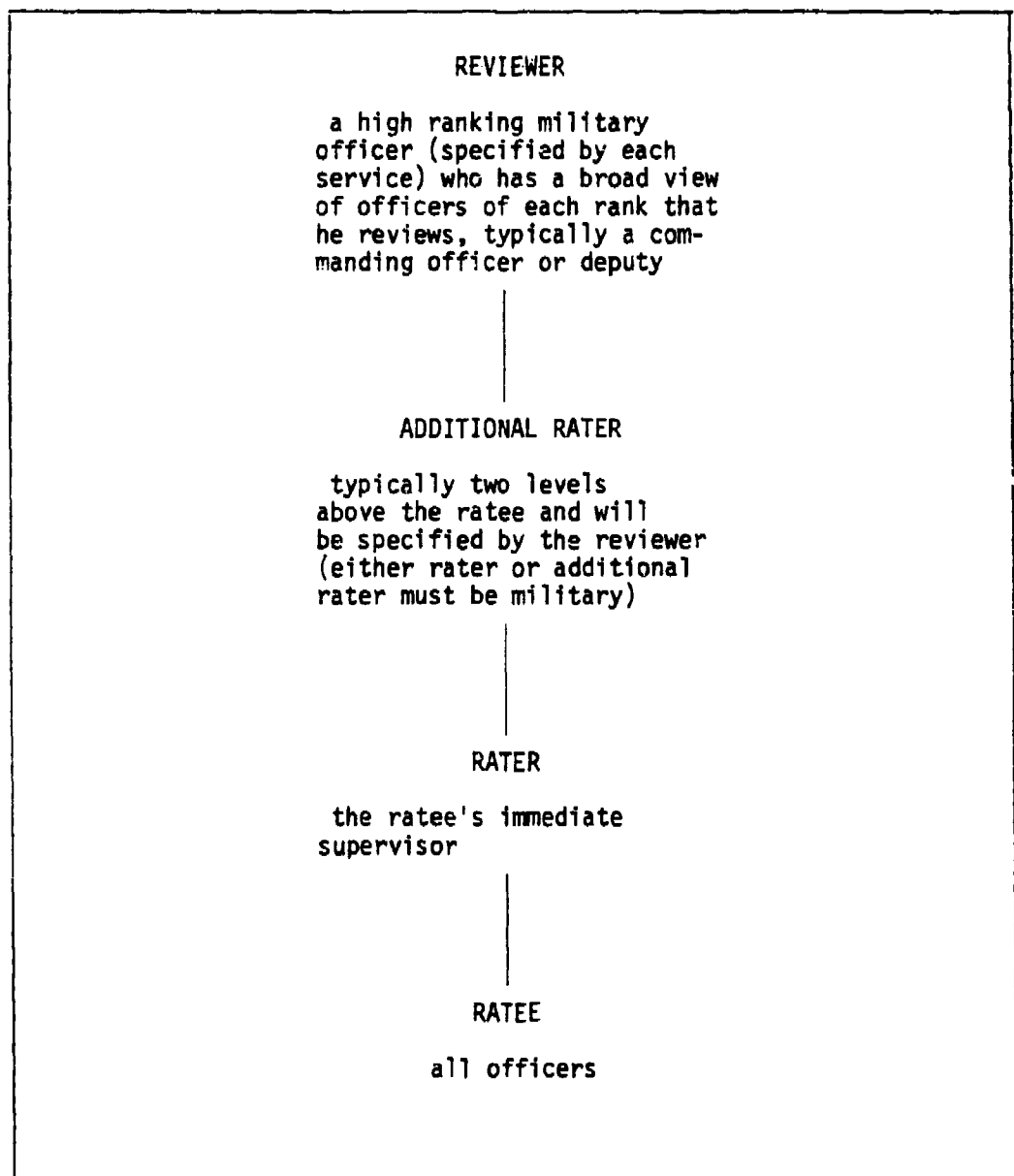the ratee's immediate
supervisor

RATEE

all officers

Figure 4.   Players in Officer Evaluation System

be accomplished once a year, or sooner if supervision is interrupted.
Ratings will not be accomplished for performance less than three months.

Basis for Evaluations

The basis for Part I is _only_ the last year's performance. The
description of experience is a narrative developed by the rater, perhaps
with consultation by the additional rater. The system should provide
guidance identifying for the rater characteristics of experience which
are useful in personnel actions.

The assessment of performance is based upon a set of rating fac-
tors chosen to describe the immediate past performance. The set of
factors in Figure 2 was chosen in an attempt to emphasize job goals/
objectives and the achievement of them. Guidance to raters would
recommend interaction early in any reporting period to develop a joint
understanding of duties and to jointly set objectives. Guidance would
also recommend that a self-rating be incorporated in the performance
assessment process.

The system should include a worksheet for raters which describes
each performance factor and identifies subfactors. This would clarify
and standardize the interpretation of each factor. The factor ratings
which are assessed above or below the three middle blocks would require
a short comment in the space provided under each factor giving specific
examples. The overall assessment of performance is labeled MISSION
CONTRIBUTION and is a summary statement of the past year's performance.

It should be emphasized that the specific rating factors chosen
here were for illustrative purposes and that each service would care-
fully choose, and develop definitions for, these performance factors.

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The basis for Part 2 is the joint judgment by the rater and addi-
tional rater of the ratee's potential for success in top management/
leadership positions within the military. The basis includes not only
most recent performance but also performance trends, observed behavior
patterns, and observed personal characteristics.

At the top, the MISSION CONTRIBUTION rating is repeated and compared
to the distribution of all such ratings over the past year given under
that additional rater. Several rating factors for potential are then
assessed. In the sample form in Figure 3, the first two factors are (1)
focus on the mission and (2) trends in output with respect to that
mission. Other factors proposed here are behaviors and personal traits
often linked with top leadership success (Norton, et al., 1973:50-51).
It should again be said that these factors would be carefully chosen by
each service. As done previously, a worksheet to define and subdivide
each rating ractor into subfactors should be developed to assist raters.

The final overall potential assessment is a promotion recommendation.
It should be noted that this is not a simple yes or no nor a set of
numbers to choose from. It is a set of straightforward statements about
the advisabilty of promoting the officer to higher military responsibili-
ties. The final section of Part 2 is space for a brief narrative of
supporting rationale for the overall recommendation. This narrative
would be jointly developed by the rater and additional rater.

Disposition of Results

The results of Part 1 are the basis for the recommended supervisor-
subordinate job-related counseling. Guidelines and suggestions would
be part of the system's administrative instructions.

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The results of Part 1 would be immediately available to the ratee. The yearly results would go into the ratee's permanent records. All these performance ratings would then form part of the basis for future personnel actions.

The results of Part 2 would go to the reviewer for his review, and his concurrence if required. The reviewer would send the report directly to the service's military personnel center. These evaluations of potential would then become a part of the officer's records to be used in the major personnel actions of promotion, assignment, and separation.

The results cf Part 2 would be temporarily closed to the ratee, except in the case of a referral report (a rating in one of the bottom two promotion recommendations). For purposes of individual career planning and self improvement, the results of Part 2 evaluations would be made available to the ratee after he was transferred to a position with a different rater and additional rater.

Inflation Control

There would be no mechanisms to control inflation of performance evaluation (Part 1), except perhaps guidance to raters that most individuals need honest feedback in order to improve. Five separate features can provide control of inflation of the Part 2 evaluation of potential:

(1) the temporary closed nature of the report, eliminating rater fears of job-related effects upon the officers being rated,

(2) the requirement for the reviewer's concurrence for the
strongest recommendation, in conjunction with top
leadership's emphasis to reviewers of the importance
of restraint,

(3) the natural pressure on raters to reward good performance
will now be able to be satisfied in the Part 1
evaluation of performance,

(4) the very specific overall recommendation statements,
not numbers or some other code, which must be jointly
agreed to and signed by the rater, the additional
rater, and sometimes, the reviewer, and

(5) instructions to reviewers could include guidelines
for the proportions of officers at each rank which
may be expected to receive the highest promotion
recommendation. In conjunction with this feature, each
service's personnel center could make the yearly results
for each reviewer available to key service leaders.

VI. A FINAL COMMENT

The general form of an Officer Evaluation System has been pro-
posed. It was developed based on (1) a general understanding of the
"personnel appraisal system" concept, (2) the thoughts and experiences
of civilian and military writers, (3) a consideration of the military
environment, and (4) a clear understanding of "performance" and "poten-
tial." With this basis, six criteria for an Officer Evaluation System
were chosen which formed the guidelines for the proposed system. As a
summary of this research, the six criteria as seen in the proposed
Officer Evaluation System will be briefly reviewed.

Clear Purpose

The proposed system is structured around the stated dual purpose--
collect experience, performance evaluations, and potential evaluations
to support two necessary organizational processes, personnel movement
decisions and supervisor-subordinate performance counseling. The
statement of purpose should be the most prominent single piece of
information in all evaluation system activity.

Valid Rating Factors

Rating factors are offered which attempt to delineate first
performance and then potential. Each service must carefully choose and
define these two sets of factors. Focus on relevance, observability,
universal application, completeness, and discrimination will yield
validity.

Equally Fair

The system must be designed in an open manner which continuously emphasizes consistency with the stated system purposes. It should be honestly stated that the system does involve human judgments of the performance and talents of other humans, but that the system is necessary for organizational viability. The system designers should take great care in developing system flexibility to assure equity to all in the large, geographically separated, transient officer corps. A necessary phase in the system design is a detailed testing program to examine the major system features, iron out all administrative details, and instill confidence.

Simple

In order to accommodate other criteria, several trade-offs in simplicity have been made in the proposed system. Two evaluations vice one are proposed. Different administrative procedures for the two evaluations are identified. A special review of the potential evaluation must be selectively made. Because of this, much effort should be spent in developing and testing simplified instructions, guidelines for evaluation, and administrative handling procedures.

Provisions for Rater Errors and Inflation

The main provisions to safeguard against rater errors must be developed in a thorough testing program which results in clear, complete rater instructions. In the proposed OES, specific mechanisms to control inflation are included only where necessary, for the evaluation of potential. These features were discussed in the previous section.

Perhaps the most severe control feature is the temporary closed nature
of the evaluation of potential. This is certainly not unusual in
civilian systems (Kellogg, 1975:152). The Air Force currently uses a
completely closed form for evaluation of Colonels and Lieutenant
Colonels. It is felt that, if properly presented, this feature will be
accepted as necessary by the majority of officers.

Consistent with Prevailing Management Philosophy

The final criterion stated that the purpose, rating techniques,
rating factors, and administrative procedures should be developed con-
sistent with the prevailing management philosophy within the services.
The prevailing personnel management philosophy within the U.S. military
with respect to officers was hypothesized to be "treat them as adults
and be supportive of them." The general design of the proposed system
contains the following features considered consistent with that
philosophy:

(1) It has been assumed that overall acceptability will result
from a clearly stated purpose backed up with rationale concerning the
system's necessity promulgated to all.

(2) A spread or "forced distribution" for performance and poten-
tial evaluation is not a part of the system.

(3) Constructive feedback on performance via supervisor-subordinate
job-related communication is an integral part of the system.

(4) Although the temporary closed feature of the Part 2 evaluation
may be perceived as inconsistent with this philosophy, I contend that
the temporary nature in conjunction with an honest presentation of the
usefulness of this feature will result in acceptance.

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Summary

I have proposed that the military services face head-on the issue of officer evaluation by (1) clearly stating purposes, (2) clearly defining and distinguishing performance and potential, and (3) openly and carefully developing and implementing systems consistent with the purposes. I believe that this approach will yield effective and accepted Officer Evaluation Systems.

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The general subject of personnel appraisal systems is reviewed as a basis for the development of the general form of an Officer Evaluation System. In this development, unique aspects of the military environment are identified, a clear statement of purpose is chosen, and the distinction between performance evaluation (assessment of past performance) and potential evaluation (assessment of future performance) is drawn. Six criteria for a military Officer Evaluation System are proposed: clear purpose, valid rating factors, equally fair, simple provisions for errors and inflation, and consistent with prevailing management

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philosophy. The proposed system collects three types of information--experience, performance evaluations, and potential evaluations--for input to two necessary organizational processes--personnel movements and superior-subordinate communication. Inflation control mechanisms are recommended only for evaluations of potential.